



## Legislation Text

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**File #:** 18-1075, **Version:** 1

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Recommendation to authorize City Manager, or designee, to execute a contract and all necessary amendments, with Southern California Edison, to participate in the Charge Ready Program, which will provide the electric infrastructure required to install 90 electric vehicle (EV) charging stations, and up to an additional 210 for a total of 300, if the Charge Ready Program is expanded and the City is awarded additional incentives;

Authorize City Manager, or designee, to execute all required documents and easements pursuant to the requirements of the Charge Ready Program with the right to quit claim;

Adopt resolution authorizing City Manager, or designee, to execute a contract, and all necessary amendments, with ChargePoint, of Campbell, CA, to provide, install, and maintain up to 300 (EV) charging stations, on the same terms and conditions afforded to the City of Santa Monica, CA, in an amount not to exceed \$4,200,000;

Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$2,622,220, offset by a \$622,220 transfer of Mobile Source Air Pollution Reduction Review Committee (MSRC) Local Government Partnership Program funds from the Fleet Services Fund (IS 386), in the Financial Management Department (FM) and by a \$2,000,000 transfer of AB 32 (Global Warming Solutions Act) funds from the Gas Fund (EF 301) in the Energy Resources Department (ER); and

Increase appropriations in the Gas Fund (EF 301) in the Energy Resources Department (ER) by \$2,000,000 for a transfer to the Capital Projects Fund (CP) in the Public Works Department (PW), offset by AB 32 funds available. (Citywide)

City Council approval is requested for the installation of electric vehicle (EV) charging stations at public and City fleet locations. The EV charging stations at public locations will be similar to those approved by the City Council on February 14, 2017, for City Place Lot C. Since installation, a total of 2,800 EV charging sessions have been completed at the City Place Lot C.

Staff intends to replace outdated charging stations citywide with new ChargePoint EV chargers. To expand the number of charging stations available to City fleet vehicles and the public, an agreement with ChargePoint is necessary to procure, install, maintain, and complete the preparation work required for these stations. The preliminary plan aims to install up to 100 chargers for City-owned vehicles and 200 chargers for public use. The first two fleet locations that will receive new EV charging stations will be the Temple-Willow Fleet Yard and the Police Academy. These chargers will provide the infrastructure needed to power the City's growing EV fleet.

The City's current vendor, Blink Network LLC, does not allow the City to set EV charging rates and EV charging station revenue is not currently shared with the City. City staff recommends an agreement with ChargePoint to allow the City to own and operate the EV chargers independently with the ability to set EV charging rates. Staff estimates that the public will see an immediate 40 percent reduction in usage costs with the new EV chargers, which is anticipated to result in higher usage rates. The major terms of the agreement with ChargePoint shall be based on an existing agreement with the City of Santa Monica, which was awarded through a competitive bid process. The City will recover all electricity and overhead costs associated with operation of these units. Staff plans to use any revenue beyond the City's cost recovery to install additional EV charging stations or other energy-efficient public benefit projects.

Southern California Edison (SCE) has developed the Charge Ready Program (Program), which aims to reduce vehicle emissions by partnering with local government agencies, businesses, and multi-family dwellings to provide EV charging stations. Through the Program, SCE provides the electrical infrastructure required for EV charging stations. The EV chargers must be procured and provided by the partnering agency. The Program provides cost savings as the upfront infrastructure costs of new EV charging stations can be significant. It is anticipated that some of the City's cost to purchase the EV chargers will be partially offset by additional rebates and incentives provided by SCE. The total direct cost savings for the City provided by SCE for the installation of the electrical infrastructure is valued at approximately \$2,200,000 for 300 chargers.

The Fleet Services Bureau requires up to 100 dual-port EV chargers. These chargers will serve up to 200 City fleet vehicles, and will support the City's goal to electrify all possible non-safety fleet vehicles. This goal was established and is being implemented by the Battery Electric Vehicle Task Force. The Administrative Regulations (AR37-1), signed by City Manager on May 29, 2018, outlines these goals.

On May 19, 2017, the City of Santa Monica released a request for proposals (RFP) to procure equipment and services for installation, operation, and maintenance of EV charging stations. Ten proposals were received by the City of Santa Monica. Proposals were evaluated based on the criteria including price, previous experience, ability to deliver, quality of product, and compliance with their City's specifications. Of the ten proposers, six were invited to present and participate in interviews. ChargePoint was recommended unanimously by their evaluation committee as the best vendor based on its experience, strength of existing network and user base, integrated product and services, and value of services. City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other governmental agencies by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

This matter was reviewed by Deputy City Attorney Linda T. Vu on November 1, 2018 and by

Budget Analysis Officer Julissa José-Murray on November 9, 2018.

## SUSTAINABILITY

Installation of EV charging stations in public parking facilities and City fleet locations advances the City's goals of reducing greenhouse emissions by facilitating the use of alternative fuel vehicles.

City Council action is requested on December 4, 2018, to execute the necessary documents and agreements with ChargePoint and SCE to begin work immediately.

Total Project costs, net of SCE rebates and incentive savings, are estimated at \$4,300,000 and include the contract award amount of \$4,200,000, which is inclusive of the cost for design, construction, procurement, network fees, and maintenance of the EV chargers for five -years through an extended warranty plan, plus project management and construction management.

<b>Source of Funds</b>	<b>Amount</b>
AB 32 (Global Warming Solutions Act) Funds	\$2,700,000
Mobile Source Air Pollution Reduction Review Committee (MSRC) Grant Funds	622,220
<b>Subtotal Funded Project Costs</b>	<b>\$3,322,220</b>
<i>Remaining Unfunded Project Costs</i>	<i>977,780</i>
<b>Total Project Costs</b>	<b>\$4,300,000</b>

The total Project cost is supported by \$2,700,000 in AB 32 (Global Warming Solutions Act) funds, and \$622,220 of Mobile Source Air Pollution Reduction Review Committee (MSRC) grant funds. Of this amount, \$700,000 in AB 32 funding is already appropriated and an appropriation increase in the amount of \$2,000,000 is requested in the Capital Projects Fund (CP) in the Public Works Department (PW), offset by a transfer of AB 32 revenue from the Gas Fund (EF 301) in the Energy Resources Department (ER). An appropriation increase in the amount of \$2,000,000 in the Gas Fund (EF 301) in the Energy Resources Department (ER), offset by AB 32 revenue, is necessary for the transfer to the Capital Project Fund (CP). Additionally, an appropriation increase in the amount of \$622,220 is also requested in the Capital Projects Fund (CP) in the Public Works Department (PW), offset by a transfer of MSRC Local Government Partnership Program grant funds in the Fleet Services Fund (IS 386) in the Financial Management Department (FM).

With approval of the recommended appropriation increases, \$3,322,220 of the estimated project costs will be appropriated. The remaining \$977,780 of the project costs and contract

authority is unfunded. The unfunded contract authority will allow Public Works necessary flexibility to quickly take advantage of anticipated SCE incentives as they arise. Any work not currently budgeted will only proceed at such time as funds are secured and appropriation has been approved by the City Council.

ChargePoint will operate and maintain the Chargers for five years through the extended warranty plan. Upon the expiration of the warranty plan, the City will be responsible for on-going operations and maintenance. At this time, the program will be reevaluated and staff will return to the City Council, if necessary, with recommendations. There is no local job impact associated with this recommendation.

Approve recommendation.

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